CENTRALLY-HELD COSTS

1.0 PURPOSE

This evidence presents OPG's centrally-held costs and the period-over-period comparisons of centrally-held costs that are directly assigned and allocated to OPG's regulated hydroelectric facilities and nuclear facilities, and the Darlington New Nuclear Program ("DNNP") facilities.

2.0 OVERVIEW

This evidence supports the approval sought for the centrally-held costs included in the revenue requirements for OPG's nuclear facilities and the DNNP facilities for the IR term. Consistent with the Application's proposal to set hydroelectric payment amounts using a price-cap index Custom IR framework, it also supports the request for approval of the centrally-held costs included in the 2027 revenue requirement for OPG's regulated hydroelectric facilities.

The forecast centrally-held cost amounts included in the revenue requirements for OPG's nuclear facilities are -$35.4M for 2027, -$30.8M for 2028, -$60.1M for 2029, -$33.3M for 2030, and -$21.6M for 2031.[1] The forecast centrally-held costs included in the revenue requirements for the DNNP facilities are -$3.7M for 2027, -$4.1M for 2028, -$3.6M for 2029, $5.2M for 2030, and $14.2M for 2031.[2] The forecast centrally-held cost amounts included in the revenue requirement for OPG's regulated hydroelectric facilities for the 2027 test year is $5.6M.[3]

Centrally-held costs are an integral part of the costs of operating the regulated generation facilities. They are OPG's company-wide costs that are recorded centrally for a variety of reasons, such as achieving record-keeping efficiency and maintaining proper oversight. They are not Support Services costs.

Categories of centrally-held costs are separately identified for those exceeding $10M per year on average over the IR term. The category of "Other" reflects the remaining centrally-held

[1] Ex. F4-4-1, Table 3, line 7.
[2] Ex. F4-4-1, Table 4, line 7.
[3] Ex. F4-4-1, Table 2, line 6.

costs, with a description of some of the more significant items provided in Section 7.0. The centrally-held cost items described below were identified in previous OPG applications, and the nature of these costs is unchanged.

Centrally-held costs continue to be directly assigned or allocated to the regulated operations using the same methodology as in EB-2020-0290 and as reviewed by Elenchus (see Ex. F3-1-4). The methodology is applied to OPG-wide centrally-held costs presented in Ex. F4-4-1, Table 1, which results in costs attributed to OPG's regulated hydroelectric facilities, OPG's nuclear facilities and the DNNP facilities as presented in Ex. F4-4-1, Tables 2, 3, and 4 respectively. As discussed in Ex. F3-1-4, the same methodology is used to directly assign and allocate centrally-held costs to the DNNP facilities as for OPG's regulated facilities.

Exhibit F4-4-1, Tables 5a, 5b and 5c provide the period-over-period comparisons for the historical, bridge and forecast years for the regulated hydroelectric facilities, OPG's nuclear facilities and the DNNP facilities, as applicable, and a comparison to the OEB-approved amounts for OPG's nuclear facilities. Consistent with the OEB's letter dated September 17, 2024 issued in EB-2024-0136, this evidence provides nine years of historical data for OPG's regulated hydroelectric facilities, for the period 2016-2024.

This evidence provides a description of the categories of centrally-held costs and discusses the trends and variances for each category. The key drivers of these costs are identified within the discussions of trends and variances. Where these drivers do not adequately explain a year-over-year variance, a specific explanation is provided to the extent the variance is equal to or greater than 10%.

Total centrally-held costs vary and generally decrease over 2020 to 2024, primarily as a result of lower pension and other post employment benefit ("OPEB")-related accrual costs. Over the 2025-2031 period, centrally-held costs for OPG's nuclear and regulated hydroelectric facilities are forecast to be lower than the 2024 levels due to lower pension and OPEB-related amounts.

3.0 PENSION AND OPEB-RELATED ACCRUAL COSTS

3.1 Description

Certain components of pension and OPEB accrual costs for all of OPG's employees and retirees continue to be included in centrally-held costs. These cost components include interest costs on the obligations, the expected return on pension plan assets, amounts in respect of past service costs, amounts in respect of actuarial gains and losses, and variances from the estimated current service cost amounts charged to each of the businesses and functions through standard labour rates. As in prior applications, the pension and OPEB-related accrual costs are directly assigned and allocated to the businesses in proportion to the pension and OPEB costs charged to the businesses, including amounts assigned and allocated as part of corporate Support Services costs.

3.2 Trends and Variances

Centrally-held pension and OPEB accrual costs are negative over the IR term, reducing the proposed revenue requirements. Specific trends and variances in these costs are discussed in Section 4.3 of Ex. F4-3-2. In summary, variability in the centrally-held pension and OPEB accrual costs in the historical and bridge period is primarily related to: fluctuations in discount rates, updated inflation and salary escalation rate actuarial assumptions, differences in pension fund asset values. The costs are generally stable over the IR term.

4.0 OPG-WIDE AND NUCLEAR INSURANCE

4.1 Description

These are the costs of OPG's company-wide (corporate) insurance program and the additional nuclear-specific insurance program. The company-wide program covers commercial general liability, directors and officers and fiduciary liability, cyber risks, all risk property, boiler and machinery breakdown, including statutory boiler and pressure vessel inspections, and business interruption ("BI"). BI coverage provides protection against potential loss of earnings caused by physical damage to the station from a non-nuclear peril.

As in prior OPG applications, the costs of the company-wide insurance program are primarily directly assigned to the businesses based on the applicability of each type of insurance

coverage and the asset replacement cost of the generation facilities. The nuclear-specific insurance program relates to liability insurance associated with nuclear operations and property insurance for damage to the nuclear portions of the nuclear generating stations, which complements the conventional property insurance program. This portion of insurance costs is directly assigned to the respective nuclear facilities. Subject to regulatory requirements and market availability, it is assumed that DNNP LP will have its own nuclear-specific insurance policies.

4.2 Trends and Variances

Over the bridge and IR term, OPG-wide insurance costs are expected to continue to increase relative to historical levels due to the restrictive limit availability in the insurance market, continued challenges and losses with natural catastrophic events and inflationary concerns. The impact of OPG's July 2025 insurance renewal is reflected in the IR term forecast.

OPG Corporate Insurance Program: As discussed in EB-2020-0290, following a period of higher catastrophes and financial losses experienced by insurers in the 2017-2018 period, the insurance market tightened in 2020 with increased premiums and constricted capacity, compounded by impacts of the COVID-19 pandemic.[4] As anticipated in EB-2020-0290, OPG's premiums continued to increase beyond 2020, reflecting the effects of the limited capacity supply and other emergent factors such as higher inflationary impacts and increases in reinsurance costs.[5] OPG continued to take steps to mitigate these pressures, where possible, through extensive communication with insurers, differentiating itself by demonstrating the company's quality of risk, proficiency in operations and asset management, excellence in dam safety, and use of equipment monitoring and diagnostics. The resulting actual costs through 2024 for OPG's nuclear facilities were largely in line with the EB-2020-0290 forecast. In 2025, the insurance market is showing some signs of beginning to stabilize, with new capacity entering the market.

[4] EB-2020-0290, Ex. L-F4-04-VECC-035.
[5] Reinsurance is insurance purchased by insurance companies from other insurers to reduce their own risk of large losses.

For OPG's nuclear facilities, a step decrease in the corporate insurance program costs is forecasted beginning in 2025, mainly due to the end of commercial operation of Pickering Units 1 and 4 in 2024 and the opportunity identified by OPG to restructure the property program to include coverage for Pickering Units 5-8 assets outside of the 'nuclear island' under the nuclear property policy beginning in 2025 and through the four-unit refurbishment outage. These savings are primarily related to a conclusion that BI coverage provided by the conventional property program is not required until the first Pickering unit returns to service, given that no electricity will be produced at the station during the four-unit refurbishment outage and taking into account the BI coverage waiting period. This is also the main driver for the 2025 forecast costs for OPG's nuclear facilities being lower than the OEB-approved amount. The forecast costs increase in 2031 to reflect the reinstatement of this coverage. The budgeted costs for the nuclear facilities for 2026 are the same as the OEB-approved amount, reflecting the net effect of the latter assuming an end of Pickering commercial operation in 2025, the restructuring of Pickering's conventional property coverage and other factors.

For the regulated hydroelectric facilities, the higher capital investment levels for the aging assets are expected to continue to increase the value the assets, and resulting insurance premiums, in the forecast period.

In addition to the above factors, the forecast costs for both OPG's nuclear facilities and the regulated hydroelectric facilities reflect expectations of continued upward pressure on the premiums during the IR term from such factors as inflation, the global trade environment and supply chain risks.

Nuclear Insurance Program: OPG's nuclear insurance premiums have increased since 2020 for the same market condition reasons as discussed above. OPG was able to work with its insurers to mitigate some of the increases, relative to those forecast in EB-2020-0290. The resulting actual costs through 2024 and budgeted cost for 2025 are lower than the OEB-approved amounts, in part due to Pickering's positive operational performance exceeding insurer's expectations. The forecast costs for 2026 are higher than the OEB-approved amount due to the latter assuming an end of Pickering commercial operation in 2025.

OPG forecasts a step increase in its nuclear insurance costs in 2027 for two main reasons. First, the forecast reflects an anticipated increase in the current statutory nuclear insurance liability limit under the *Nuclear Liability and Compensation Act* ("NLCA"). Effective 2027, subject to final confirmation by the Department of Natural Resources Canada ("NRCan"), the nuclear liability limit is expected to increase from $1B to $1.2B, for each of Pickering and Darlington, following a five-year review of such limits completed by NRCan under this legislation.

Second, with the last unit returning from refurbishment in 2026, OPG plans to purchase nuclear BI insurance for Darlington beginning in 2027 in order to mitigate the potential loss of earnings in the event of physical damage to the station from a nuclear peril. Standard BI policies exclude nuclear risks, making specialized coverage necessary for any such protection. While it has not historically procured this coverage, OPG considers this to be an appropriate time to add this product as part of its risk management practices in view of the company's evolving financial profile. OPG is facing increased funding needs to meet the forecast capital expenditures, and uninterrupted revenues from electricity generation at Darlington will be a critical source of such cashflow. Should an insurable BI event occur, having the appropriate insurance coverage will be important to mitigating the impact to OPG's funding profile and therefore credit ratings.

Based on advice from Marsh, power generators in Canada typically purchase BI coverage. Historically, OPG has secured this coverage for conventional, non-nuclear risks across its nuclear operations. Moving forward, OPG plans to extend BI coverage to include nuclear-related risks for the operations at Darlington and Pickering, upon return to service from refurbishment. This coverage is also expected for the DNNP facilities, once operational.

DNNP facilities' nuclear insurance costs for the operating period will begin with Unit 1 entering service, scheduled in October 2030. Subject to NLCA regulatory requirements and market availability, it is assumed that DNNP LP will have its own insurance policies for nuclear liability, nuclear property and nuclear BI that are separate from OPG's existing stations. The 2031 forecast costs for the DNNP facilities reflect the first full year of operation and are based on information provided by insurance broker Marsh.

OPG will need to maintain nuclear liability and nuclear property insurance for Pickering Units 5-8 during their refurbishment. Nuclear liability insurance remains a requirement under the NLCA for a licensed facility, whether it is in operation or undergoing a refurbishment. Additionally, radioactive materials remain on site (e.g., spent fuel, activated components, contaminated structures), and property coverage is required for any perils that may occur during the refurbishment.

5.0 PERFORMANCE INCENTIVES

5.1 Description

These costs are for the annual pay for performance program that compensates OPG's management (i.e., non-unionized) employees based on the achievement of corporate and individual performance objectives. The costs are attributed to OPG's regulated hydroelectric facilities, OPG's nuclear facilities, and the DNNP facilities based on the labour costs of management employees (see Ex. F3-1-4). As discussed further in Ex. F4-3-1, Section 6.2.3 and previously in EB-2020-0290, since 2021, the budget for the program is set using a financial results model based on a percentage applied to forecast corporate earnings before tax.[6]

5.2 Trends and Variances

Actual performance incentives may vary over time based on the forecast corporate earnings before tax ("EBT"), the percentage applied to forecast EBT reflecting underlying business objectives for that year, and the actual corporate scorecard results. The percentage applied to forecast EBT, the actual corporate scorecard results and the incentive payouts are subject to OPG's Board of Directors' approval.

Over the 2021-2024 period, OPG experienced variability in its forecast EBT, driven in large part by nuclear production. The percentage applied to EBT to set the incentive budget was adjusted to help stabilize the impact of these fluctuations on performance incentive costs. Between 2021-2024, 2% was applied on average to forecast EBT[7] and OPG's corporate score ranged from 0.97 to 1.28.

[6] EB-2020-0290, Ex. L-F4-03-Staff-279.
[7] Willis Towers Watson indicates that annual incentive pools range from 2-7% of EBT/EBITDA.

Between 2022-2024, actual performance incentive costs reflect the forecast financial results model and strong corporate scorecard results, underscoring the alignment of incentive costs with measurable organizational achievements.[8] In the bridge period and through the IR term, the budgeted and planned incentive costs primarily reflect increasing forecast financial earnings over the period.

OPG's management compensation benchmarking continues to be positioned below market median on a Total Direct Compensation and Total Remuneration basis. OPG's management compensation, including the pay for performance program, and compensation benchmarking results are discussed in Ex. F4-3-1.

6.0 IESO NON-ENERGY CHARGES

6.1 Description

IESO non-energy costs are charges applied to the withdrawal of energy from the IESO-controlled grid. These charges include transmission charges, the debt retirement charge up to April 2018, the rural and remote electricity rate protection charge, the IESO administration fee, uplift charges, and the Global Adjustment. These charges are not discretionary and apply to all energy withdrawals from the IESO-controlled grid. The charges are directly assigned to the specific regulated facilities.

6.2 Trends and Variances

IESO non-energy costs for OPG's regulated hydroelectric facilities over the 2020 to 2027 period are relatively stable. Variances are primarily due to the variability in Global Adjustment rates.

Year-over-year variances in IESO non-energy costs for OPG's nuclear facilities over the 2020 to 2031 period are primarily due to changes in withdrawals of energy related to the Darlington and Pickering refurbishment schedules and variability in Global Adjustment rates.

[8] Over the reporting period, accruals for incentives are trued up in each subsequent year to align with actual payment amounts. Notably, an under accrual of approximately $6.0M in 2022 was trued up in 2023, resulting in greater variability in amounts shown in Table F4-4-1, Tables 2 and 3 and in F4-4-1, Tables 5a, 5b and 5c in these years.

Variances between actual and OEB-approved costs for the nuclear facilities for 2020-2024 and such budget and OEB-approved costs for 2025 are primarily due to differences in Global Adjustment rates and early return to service of Darlington units from refurbishment. In 2026, in addition to these factors, the variance is due to the continued operation of Pickering Units 5-8, whereas the OEB-approved amount assumed an end of commercial operation at the end of 2025.

IESO non-energy costs associated with DNNP facilities' reflect planned Unit 1 in-service in October 2030.

7.0 OTHER

7.1 Description

As in EB-2020-0290, Other costs consist of a number of relatively smaller items. In the IR term, these are comprised primarily of labour-related costs such as the fiscal calendar and labour balancing adjustments, and the vacation accrual.

The fiscal calendar adjustment is a wage adjustment covering all business units that reflect the difference in the number of days between the 52 or 53 week fiscal calendar used for payroll accounting and OPG's financial year ending on December 31. The adjustment is temporary and fluctuates from year to year, as the starting and ending days of the fiscal calendar vary from year to year. A negative adjustment (i.e., a reduction to costs) can occur in years when the fiscal calendar has 53 weeks. The costs (or a reduction to costs) are allocated to the business segments on the basis of payroll costs.

The labour balancing adjustments relate to non-pension and OPEB components of the standard labour rates. These adjustments capture variances (positive or negative) between the amount of such costs charged or planned to be charged to the OPG businesses and functions through standard labour rates and the final actual or planned amount of these costs.

The vacation accrual represents the cost to OPG of the estimated outstanding vacation entitlement for all of its employees and is allocated to the business segments on the basis of payroll costs.

7.2 Trends and Variances

Variances in Other costs over the 2020-2026 period, including relative to the OEB-approved nuclear amounts are mainly caused by the variability in labour balancing, fiscal calendar adjustments and assumed Corporate Headquarters ("CHQ") related employee relocation costs in 2025 in line with collective agreements and the management relocation expense standard. Actual amounts of the labour balancing adjustments are a function of each year's payroll related transactions processed by OPG on account of thousands of individual employees.

Over the IR term, Other costs are relatively stable, with the exception of a negative fiscal calendar adjustment in 2029. This negative fiscal calendar adjustment anticipated due to OPG's 2029 fiscal year being four days longer than the 2029 calendar year (the other fiscal years in the IR term are shorter than the respective calendar years except 2028 in which the fiscal and calendar years are equal).

Numbers may not add due to rounding.

Table 1
Centrally Held Costs ($M)
OPG

Line No.	Corporate Costs	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2026 Budget	2027 Plan	2028 Plan	2029 Plan	2030 Plan	2031 Plan
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
1	**Pension/OPEB Related Accrual Costs**	12.8	39.5	(93.2)	(246.5)	(75.1)	(227.5)	(210.7)	(194.0)	(212.6)	(225.3)	(223.8)	(226.6)
2	**OPG-Wide Insurance**	25.3	30.5	34.1	35.0	35.4	34.2	32.9	37.0	39.6	41.9	45.2	50.5
3	**Nuclear Insurance**	19.5	20.7	21.1	21.5	22.2	18.2	18.1	28.6	28.8	29.4	34.4	40.7
4	**Performance Incentives**	32.7	32.2	30.1	45.7	45.2	48.3	45.1	47.0	50.6	52.5	53.1	54.6
5	**IESO Non-Energy Charges**	133.5	61.4	61.8	84.1	88.5	65.1	48.2	31.9	53.8	45.4	53.6	62.0
6	**Other**	35.3	77.3	49.3	41.3	26.2	27.5	24.0	28.3	19.7	1.1	25.0	27.4
7	**Total**	259.1	261.6	103.2	(18.9)	142.5	(34.3)	(42.4)	(21.2)	(20.1)	(55.0)	(12.4)	8.6

Numbers may not add due to rounding.

Table 2
Allocation of Centrally Held Costs - Regulated Hydroelectric ($M)

Line No.	Costs	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2026 Budget	2027 Plan
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
1	**Pension/OPEB Related Costs**	26.4	11.8	20.0	16.0	1.7	5.8	(13.9)	(34.9)	(10.0)	(30.8)	(30.5)	(27.8)
2	**OPG-Wide Insurance**	6.7	7.4	7.3	7.5	9.1	11.1	12.4	13.1	14.3	17.6	17.2	19.5
3	**Performance Incentives**	3.1	4.1	4.0	3.8	3.7	3.3	3.1	5.7	5.4	5.9	5.8	6.0
4	**IESO Non-Energy Charges**	11.5	9.7	5.8	2.1	2.5	1.1	2.8	4.5	3.3	3.2	3.0	3.0
5	**Other**	(3.1)	(6.8)	(8.0)	(5.3)	(1.0)	7.5	3.6	(0.4)	(0.3)	5.7	3.9	4.9
6	**Total**	44.6	26.2	29.2	24.1	15.9	28.8	8.0	(12.0)	12.6	1.6	(0.7)	5.6

Notes:

1 As discussed in Ex. F4-4-1 and Ex. F4-3-2, the 2027 amounts reflect OPG's proposal to include accrued amounts for the pension and OPEB in the hydroelectric revenue requirement.

Numbers may not add due to rounding.

Table 3
Allocation of Centrally Held Costs - OPG Nuclear Facilities ($M)

Line No.	Costs	2020 Actual	2021 Actual	2022 Actual	2023 Actual	2024 Actual	2025 Budget	2026 Budget	2027 Plan	2028 Plan	2029 Plan	2030 Plan	2031 Plan
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)
1	**Pension/OPEB Related Accrual Costs**	10.2	30.4	(71.0)	(194.6)	(59.2)	(180.6)	(157.5)	(143.6)	(156.0)	(166.0)	(165.1)	(166.4)
2	**OPG-Wide Insurance**	8.3	10.2	11.3	12.0	12.0	6.6	6.4	7.1	7.6	8.2	8.6	11.8
3	**Nuclear Insurance** [1]	19.5	20.7	21.1	21.5	22.2	18.2	18.1	28.6	28.8	29.4	30.0	31.6
4	**Performance Incentives**	27.2	26.7	24.8	35.5	35.2	39.0	32.7	33.4	35.6	37.0	37.2	38.6
5	**IESO Non-Energy Charges** [2]	113.2	49.4	48.5	67.4	72.7	49.6	34.7	18.6	38.2	31.6	38.4	43.1
6	**Other**	36.6	71.8	41.6	39.8	21.7	19.1	18.5	20.5	14.9	(0.3)	17.5	19.8
7	**Total**	215.0	209.3	76.3	(18.5)	104.7	(48.1)	(47.2)	(35.4)	(30.8)	(60.1)	(33.3)	(21.6)

Notes:

1 Breakdown of Nuclear Insurance by station:

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Darlington NGS	7.4	7.9	8.1	8.2	9.4	8.6	8.9	18.3	18.7	19.1	19.5	19.8
Pickering NGS	12.0	12.7	13.1	13.3	12.8	9.5	9.2	10.3	10.1	10.3	10.5	11.7

2 Breakdown of IESO Non-Energy Charges by station:

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Darlington NGS	39.3	0.5	12.2	17.6	23.7	16.9	12.4	11.0	15.0	12.1	14.7	16.0
Pickering NGS	73.9	48.9	36.3	49.8	49.0	32.7	22.3	7.6	23.2	19.5	23.8	27.2

Numbers may not add due to rounding.

Updated: 2026-03-10
EB-2025-0297
Exhibit F4
Tab 4
Schedule 1
Table 4

Table 4
Allocation of Centrally Held Costs - DNNP Facilities ($M)

Line No.	Costs	2026 Budget	2027 Plan	2028 Plan	2029 Plan	2030 Plan	2031 Plan
		(a)	(b)	(c)	(d)	(e)	(f)
1	**Pension/OPEB Related Accrual Costs**	(7.7)	(8.9)	(9.8)	(8.6)	(7.1)	(6.4)
2	**OPG-Wide Insurance**	0.0	0.0	0.0	0.0	0.8	1.7
3	**Nuclear Insurance**	0.0	0.0	0.0	0.0	4.5	9.1
4	**Performance Incentives**	3.4	4.2	4.9	5.2	5.5	5.4
5	**IESO Non-Energy Charges**	0.0	0.0	0.0	0.0	0.4	3.3
6	**Other**	0.7	1.0	0.8	(0.2)	1.1	1.2
7	**Total**	(3.7)	(3.7)	(4.1)	(3.6)	5.2	14.2

Numbers may not add due to rounding.

Table 5a
Comparison of Allocation of Centrally Held Costs ($M)
Regulated Hydroelectric

Line No.	Business Unit	2016 Actual	(c)-(a) Change	2017 Actual	(e)-(c) Change	2018 Actual	(g)-(e) Change	2019 Actual	(i)-(g) Change	2020 Actual	(k)-(i) Change	2021 Actual
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
1	**Pension/OPEB Related Costs**	26.4	(14.7)	11.8	8.3	20.0	(4.0)	16.0	(14.3)	1.7	4.1	5.8
2	**OPG-Wide Insurance**	6.7	0.7	7.4	(0.1)	7.3	0.2	7.5	1.6	9.1	2.0	11.1
3	**Performance Incentives**	3.1	1.1	4.1	(0.2)	4.0	(0.2)	3.8	(0.1)	3.7	(0.4)	3.3
4	**IESO Non-Energy Charges**	11.5	(1.8)	9.7	(3.9)	5.8	(3.7)	2.1	0.4	2.5	(1.3)	1.1
5	**Other**	(3.1)	(3.7)	(6.8)	(1.2)	(8.0)	2.7	(5.3)	4.2	(1.0)	8.5	7.5
6	**Total**	44.6	(18.4)	26.2	3.0	29.2	(5.0)	24.1	(8.2)	15.9	12.9	28.8

Line No.	Business Unit	2021 Actual	(c)-(a) Change	2022 Actual	(e)-(c) Change	2023 Actual	(g)-(e) Change	2024 Actual	(i)-(g) Change	2025 Budget	(k)-(i) Change	2026 Budget
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
7	**Pension/OPEB Related Costs**	5.8	(19.7)	(13.9)	(21.0)	(34.9)	24.9	(10.0)	(20.8)	(30.8)	0.3	(30.5)
8	**OPG-Wide Insurance**	11.1	1.2	12.4	0.8	13.1	1.1	14.3	3.3	17.6	(0.4)	17.2
9	**Performance Incentives**	3.3	(0.2)	3.1	2.6	5.7	(0.3)	5.4	0.5	5.9	(0.1)	5.8
10	**IESO Non-Energy Charges**	1.1	1.7	2.8	1.7	4.5	(1.2)	3.3	(0.1)	3.2	(0.2)	3.0
11	**Other**	7.5	(3.9)	3.6	(4.0)	(0.4)	0.1	(0.3)	6.0	5.7	(1.9)	3.9
12	**Total**	28.8	(20.8)	8.0	(20.0)	(12.0)	24.6	12.6	(11.0)	1.6	(2.3)	(0.7)

Line No.	Business Unit	2026 Budget	(c)-(a) Change	2027 Plan
		(a)	(b)	(c)
13	**Pension/OPEB Related Costs**[1]	(30.5)	2.7	(27.8)
14	**OPG-Wide Insurance**	17.2	2.4	19.5
15	**Performance Incentives**	5.8	0.3	6.0
16	**IESO Non-Energy Charges**	3.0	0.0	3.0
17	**Other**[1]	3.9	1.0	4.9
18	**Total**	(0.7)	6.3	5.6

Notes:
1 As discussed in Ex. F4-4-1 and Ex. F4-3-2, the 2027 amounts reflect OPG's proposal to include accrued amounts for the pension and OPEB in the hydroelectric revenue requirement.

Numbers may not add due to rounding.

Table 5b
Comparison of Allocation of Centrally Held Costs ($M)
OPG Nuclear Facilities

Line No.	Business Unit	2020 OEB Approved	(c)-(a) Change	2020 Actual	(g)-(c) Change	2021 OEB Approved	(g)-(e) Change	2021 Actual	(k)-(g) Change	2022 OEB Approved	(k)-(i) Change	2022 Actual
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
1	**Pension/OPEB Related Accrual Costs**	30.1	(20.0)	10.2	20.2	30.0	0.5	30.4	(101.4)	12.0	(83.0)	(71.0)
2	**Pension/OPEB Adjustment for Test Period Cash to Accrual Differences**[1]	11.6	(11.6)	0.0	0.0	16.3	(16.3)	0.0	0.0	0.0	0.0	0.0
3	**OPG-Wide Insurance**	7.0	1.3	8.3	1.9	6.8	3.4	10.2	1.1	11.3	(0.0)	11.3
4	**Nuclear Insurance**	26.5	(7.0)	19.5	1.2	27.1	(6.4)	20.7	0.4	24.6	(3.5)	21.1
5	**Performance Incentives**	18.5	8.7	27.2	(0.5)	18.5	8.2	26.7	(1.9)	27.3	(2.5)	24.8
6	**IESO Non-Energy Charges**	54.5	58.7	113.2	(63.8)	42.0	7.5	49.4	(1.0)	97.7	(49.3)	48.5
7	**Other**	16.0	20.6	36.6	35.2	13.0	58.7	71.8	(30.2)	11.6	30.1	41.6
8	**Total**	164.3	50.7	215.0	(5.7)	153.7	55.6	209.3	(133.0)	184.5	(108.2)	76.3

Line No.	Business Unit	2022 Actual	(e)-(a) Change	2023 OEB Approved	(e)-(c) Change	2023 Actual	(i)-(e) Change	2024 OEB Approved	(i)-(g) Change	2024 Actual	(k)-(i) Change	2025 OEB Approved
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
9	**Pension/OPEB Related Accrual Costs**	(71.0)	(123.6)	(5.9)	(188.7)	(194.6)	135.4	(29.2)	(30.0)	(59.2)	18.8	(40.4)
10	**OPG-Wide Insurance**	11.3	0.7	11.9	0.1	12.0	0.0	12.1	(0.2)	12.0	(0.7)	11.3
11	**Nuclear Insurance**	21.1	0.3	27.1	(5.7)	21.5	0.8	30.0	(7.7)	22.2	4.0	26.2
12	**Performance Incentives**	24.8	10.6	27.6	7.9	35.5	(0.2)	27.8	7.4	35.2	(10.6)	24.6
13	**IESO Non-Energy Charges**	48.5	19.0	89.4	(22.0)	67.4	5.3	99.9	(27.1)	72.7	(8.1)	64.6
14	**Other**	41.6	(1.8)	12.2	27.6	39.8	(18.1)	7.9	13.8	21.7	(5.4)	16.4
15	**Total**	76.3	(94.8)	162.2	(180.7)	(18.5)	123.2	148.5	(43.7)	104.7	(2.0)	102.7

Notes:

1 The adjustment for 2020 and 2021 OEB approved reflects the EB-2016-0152 Decision and Order that, at the time, limited the amount of pension and OPEB costs reflected in the approved revenue requirement to cash amounts, with differences between accrual costs and cash amounts recorded in the Pension & OPEB Cash versus Accrual Differential Deferral Account for future consideration.

Numbers may not add due to rounding.

Table 5c
Comparison of Allocation of Centrally Held Costs ($M)
OPG Nuclear Facilities

Line No.	Business Unit	2025 OEB Approved	(c)-(a) Change	2025 Budget	(g)-(c) Change	2026 OEB Approved	(g)-(e) Change	2026 Budget	(i)-(g) Change	2027 Plan	(k)-(i) Change	2028 Plan
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
16	**Pension/OPEB Related Accrual Costs**	(40.4)	(140.2)	(180.6)	23.1	(56.2)	(101.3)	(157.5)	13.9	(143.6)	(12.4)	(156.0)
17	**OPG-Wide Insurance**	11.3	(4.7)	6.6	(0.3)	6.4	(0.0)	6.4	0.7	7.1	0.5	7.6
18	**Nuclear Insurance**	26.2	(8.1)	18.2	(0.1)	14.9	3.2	18.1	10.5	28.6	0.2	28.8
19	**Performance Incentives**	24.6	14.4	39.0	(6.3)	21.5	11.3	32.7	0.7	33.4	2.2	35.6
20	**IESO Non-Energy Charges**	64.6	(14.9)	49.6	(15.0)	19.9	14.8	34.7	(16.1)	18.6	19.6	38.2
21	**Other**	16.4	2.8	19.1	(0.6)	8.3	10.2	18.5	2.0	20.5	(5.6)	14.9
22	**Total**	102.7	(150.8)	(48.1)	0.9	14.7	(61.9)	(47.2)	11.8	(35.4)	4.6	(30.8)

Line No.	Business Unit	2028 Plan	(c)-(a) Change	2029 Plan	(e)-(c) Change	2030 Plan	(g)-(e) Change	2031 Plan
		(a)	(b)	(c)	(d)	(e)	(f)	(g)
23	**Pension/OPEB Related Accrual Costs**	(156.0)	(10.0)	(166.0)	0.9	(165.1)	(1.3)	(166.4)
24	**OPG-Wide Insurance**	7.6	0.6	8.2	0.4	8.6	3.2	11.8
25	**Nuclear Insurance**	28.8	0.6	29.4	0.6	30.0	1.6	31.6
26	**Performance Incentives**	35.6	1.4	37.0	0.3	37.2	1.3	38.6
27	**IESO Non-Energy Charges**	38.2	(6.6)	31.6	6.8	38.4	4.7	43.1
28	**Other**	14.9	(15.2)	(0.3)	17.8	17.5	2.3	19.8
29	**Total**	(30.8)	(29.3)	(60.1)	26.8	(33.3)	11.8	(21.6)

Numbers may not add due to rounding.

Updated: 2026-03-10
EB-2025-0297
Exhibit F4
Tab 4
Schedule 1
Table 5d

Table 5d
Comparison of Allocation of Centrally Held Costs ($M)
DNNP Facilities

Line No.	Business Unit	2026 Budget	(c)-(a) Change	2027 Plan	(e)-(c) Change	2028 Plan	(g)-(e) Change	2029 Plan	(i)-(g) Change	2030 Plan	(k)-(i) Change	2031 Plan
		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)
1	**Pension/OPEB Related Accrual Costs**	(7.7)	(1.2)	(8.9)	(0.8)	(9.8)	1.2	(8.6)	1.5	(7.1)	0.7	(6.4)
2	**OPG-Wide Insurance**	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.8	0.8	0.8	1.7
3	**Nuclear Insurance**	0.0	0.0	0.0	0.0	0.0	0.0	0.0	4.5	4.5	4.7	9.1
4	**Performance Incentives**	3.4	0.8	4.2	0.7	4.9	0.3	5.2	0.3	5.5	(0.1)	5.4
5	**IESO Non-Energy Charges**	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.4	0.4	2.8	3.3
6	**Other**	0.7	0.4	1.0	(0.3)	0.8	(1.0)	(0.2)	1.3	1.1	0.1	1.2
7	**Total**	(3.7)	0.0	(3.7)	(0.4)	(4.1)	0.5	(3.6)	8.8	5.2	9.0	14.2